

STAND. COM. REP. NO. **3383**

Honolulu, Hawaii

APR 04 2014

RE: H.B. No. 2468
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2468, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL FACILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to facilitate the growth of agriculturally related business development in the State.

Specifically, the measure:

- (1) Authorizes the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform studies and analysis relating to establishing facilities on the island of Hawaii for quarantine inspection and treatment and handling incoming and outgoing agricultural commodities;
- (2) Authorizes the Governor to do all things necessary and proper to carry into effect the establishing, maintaining, and operating of an agricultural foreign-trade zone;
- (3) Establishes an agricultural technology park under the High Technology Development Corporation; and



- (4) Appropriates unspecified amounts to the Department of Business, Economic Development, and Tourism, and the High Technology Development Corporation to carry out the purposes of this measure.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; the High Technology Development Corporation; the Department of Agriculture; the Hawaii Farm Bureau Federation; Sugarland Growers, Inc.; the Big Island Invasive Species Committee; and The Nature Conservancy of Hawaii.

Your Committee finds that agriculture is and has been a major economic driver for the State. Your Committee believes that the development of a central marketing facility on the island of Hawaii for the collection, consolidation, packing, and shipping of agricultural products will facilitate the movement of agricultural commodities in, out, and throughout the State.

Your Committee has amended this measure by:

- (1) Clarifying that Part I of the measure authorizes the Department of Business, Economic Development, and Tourism to perform planning and feasibility studies for the development of one or more facilities for quarantine treatment, deconsolidation, and consolidation of imported and exported agricultural commodities on the island of Hawaii;
- (2) Replacing the contents of Part II, regarding the establishment of an agricultural foreign-trade zone, with language that authorizes the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform studies and analysis relating to the implementation of designated foreign-trade zone sites and appropriates an unspecified amount therefor;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2468, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2468, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



